

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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FISCAL IMPACT STATEMENT

LS 7206
BILL NUMBER: HB 1412

NOTE PREPARED: Jan 7, 2007
BILL AMENDED:

SUBJECT: Passenger Restraint System Violations.

FIRST AUTHOR: Rep. Reske
FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: ☒ **GENERAL**
☐ **DEDICATED**
☐ **FEDERAL**

IMPACT: State & Local

STATE IMPACT	FY 2007	FY 2008	FY 2009
State Revenues		(1,610,578)	(1,610,578)
State Expenditures			
Net Increase (Decrease)		(1,610,578)	(1,610,578)

LOCAL IMPACT	CY 2007	CY 2008	CY 2009
Local Revenues	805,289	1,610,578	1,610,578
Local Expenditures			
Net Increase (Decrease)	805,289	1,610,578	1,610,578

Summary of Legislation: This bill requires: (1) 70% of the funds collected for Class D infraction passenger restraint system violations to be deposited in the general fund of the county, city, or town responsible for paying the costs of operating the court that entered the judgment; and (2) 30% of the funds to be deposited in the state General Fund. (Current law requires 100% of the funds to be deposited in the state General Fund.)

Effective Date: July 1, 2007.

Explanation of State Expenditures:

Explanation of State Revenues: All persons sitting in the front seat of a motor vehicle are required to use a seat belt. Persons who do not use a seatbelt commit a Class D infraction. The judgment for a Class D infraction is \$25. Currently, all \$25 is deposited into the state General Fund.

In CY 2005, 92,033 drivers were found to be guilty of a seat belt violation. If all persons paid the \$25 judgment, \$2.3 M. would have been deposited in the state General Fund. If, instead, 30% of this judgement is deposited in the state General Fund, the state would experience a revenue loss of \$1.6 M. (See table)

Losses and Gains for State and County General Funds Based on 92,033 Guilty Cases per Year			
	<u>Current</u>	<u>Proposed</u>	<u>Difference</u>
State General Fund	\$2,300,825	\$690,248	(\$1,610,578)
County General Fund		<u>\$1,610,578</u>	<u>\$1,610,578</u>
Total	<u>\$2,300,825</u>	<u>\$2,300,825</u>	<u>\$0</u>

Explanation of Local Expenditures:

Explanation of Local Revenues: Judgement revenues would be deposited in the general fund of the county, city, or town responsible for paying the costs of operating the court that entered the judgement. An additional \$1.6 M would be deposited in local general funds. (See *Explanation of State Revenues.*)

State Agencies Affected:

Local Agencies Affected: Local courts.

Information Sources: Bureau of Motor Vehicles; IC 34-28-5-4.

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